

VZCZCXRO1411  
OO RUEHBC RUEHDE RUEHDIR RUEHKUK  
DE RUEHKO #2377 2420747  
ZNY CCCCC ZZH  
O 290747Z AUG 08  
FM AMEMBASSY TOKYO  
TO RUEHC/SECSTATE WASHDC IMMEDIATE 6902  
INFO RUCNIRA/IRAN COLLECTIVE IMMEDIATE  
RUEHNH/AMCONSUL NAHA IMMEDIATE 1970  
RUEHFK/AMCONSUL FUKUOKA IMMEDIATE 9607  
RUEHKO/AMCONSUL SAPPORO IMMEDIATE 0188  
RUEHOK/AMCONSUL OSAKA KOBE IMMEDIATE 3348  
RUEATRS/TREASURY DEPT WASHDC IMMEDIATE  
RHEHAAA/NSC WASHDC IMMEDIATE  
RHMFISS/USFJ IMMEDIATE  
RUEAIIA/CIA WASHDC IMMEDIATE

C O N F I D E N T I A L TOKYO 002377

SIPDIS

TREASURY FOR TFI/DUVIVIER, IA/WINSHIP

E.O. 12958: DECL: 08/29/2018

TAGS: [PREL](#) [EPET](#) [IR](#) [JA](#)

SUBJECT: JBIC AGREES TO RESCHEDULE IRAN LOAN

Classified By: James P. Zumwalt, Charge d'Affaires, a.i., per 1.4 (b/d)

11. (C) The Japan Bank for International Cooperation (JBIC) has two advance facility agreements with the Naft Iran Intertrade Company (NICO), a subsidiary of the National Iran Oil Company. Under these agreements made in 2001 and 2004, JBIC extended loans worth \$4.2 billion to NICO, and NICO agreed repay the loans with oil (with Japanese oil companies subsequently purchasing the oil from JBIC). Some \$2.8 billion of these loans remain, and in July NICO approached JBIC and asked to reschedule payments for \$1.2 billion, MOFA Second Middle East Division Deputy Director Motosada Matano told Embassy Tokyo. NICO sought the rescheduling because it is currently in "financial trouble" due to a gas development project that has encountered difficulties, Matano explained.

12. (C) After some consideration, the Japanese Government decided to allow the rescheduling, Matano continued. The factors behind this decision were that it was not a new investment and did not violate UNSCR 1803. Furthermore, not agreeing to reschedule the loan could cause NICO to fail, "and JBIC would never get repaid," Matano said. Regardless Japan will continue its policy of pressuring Iran on its nuclear program. Japan and Iran signed the agreement in Lausanne on August 26, and so far there has been no press, Matano said.  
ZUMWALT